



TOWN OF NATICK

Massachusetts 01760

www.natickma.gov

Martha L. White
Town Administrator

INFORMATION REGARDING REVENUE GENERATION FROM THE NATICK COLLECTION

A number of citizens have asked for information on the revenue generated by the new section of the Natick Collection (formerly the Natick Mall), and how it compares to the 1995 reconstruction of the existing mall. Here are the facts.

Prior to 1995, the Natick Mall was a shopping center consisting of Filene's (where Macy's is now located), the old Sears stores, and a one-story connection containing other retail stores.

In 1995, the Natick Mall was completely demolished and reconstructed; the resulting Mall was 1,367,000 square feet. This 1995 mall reconstruction project brought approximately \$2,153,000 in new tax revenue to the Town. The Town's total taxation in 1996 was \$38,640,056, thus this new tax revenue represented 5.57% of the total taxation.

In 2007, the new retail "wing" of the Natick Mall (now Natick Collection) opened, providing 545,000 square feet of new retail space – approximately 40% of the area of the existing Natick Mall. This new retail space will be paying approximately \$1,000,000 in property taxes per year at today's rates and valuations. The Town's total taxation in 2009 is projected at \$68,458,708, thus this new tax revenue represents 1.46% of the total taxation.

In addition to the new tax revenue from the retail development of the Natick Collection, approximately 215 luxury condominium units are being developed and are expected to generate an additional \$1.25 million in new tax revenue over a two-year period. Due to recent downturn in the housing market, we will continue to monitor the rate of sales and the sale prices of these units and make adjustments to the revenue projections accordingly.

Significant one-time funds were also received to mitigate the impact of the Natick Collection project through negotiations between the Planning Board and the developer. These mitigation funds are earmarked for specific projects and/or areas of improvement identified in the project's Special Permit, and cannot be used for other purposes. Specifically, the Mall is committed to provide the following mitigation monies:

- \$1,550,000 in traffic and roadway improvement funds
- \$1,585,000 in funding for public safety equipment and training
- \$7,699,750 for open space acquisition and improvements. Note that the bulk of these funds (\$7,199,750) was required by the Town's Zoning By-Law's "floor area ratio" provisions which permit denser developments to offset their impact by providing funding for open space
- \$115,000 in miscellaneous funding including landscape architectural services, transit fees and enhanced bicycle access to the proposed rail-trail

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